



COUNTY OF LOS ANGELES  
**Public Health**

JONATHAN E. FIELDING, M.D., M.P.H.  
Director and Health Officer

JONATHAN E. FREEDMAN  
Chief Deputy Director

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[www.publichealth.lacounty.gov](http://www.publichealth.lacounty.gov)

July 21, 2009

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO ACCEPT A LETTER OF AGREEMENT FROM  
THE ROBERT WOOD JOHNSON FOUNDATION  
AND A SOLE SOURCE AGREEMENT  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval to execute a Letter of Agreement from Robert Wood Johnson Foundation and a sole source agreement with RAND Corporation to design, implement, promote, and evaluate a department-wide quality improvement plan.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Director of the Department of Public Health (DPH), or his designee, to execute a Letter of Agreement (LOA) Number 66198 (Exhibit I) from Robert Wood Johnson Foundation (RWJF) to accept funds to promote widespread use of Quality Improvement (QI) activities within the diverse programmatic areas in DPH, for the period of August 1, 2009 through June 14, 2011, in the amount of \$147,822.
2. Delegate Authority to the Director of DPH, or his designee, to accept and execute future amendments from RWJF, substantially similar to LOA Number 66198, that extend the term of the grant award for a period of one year, permit the rollover of any unspent funds, and/or increase or decrease funding by no more than 25 percent of the annual base award, subject to the review and approval of County Counsel and the Chief Executive Office and notification to your Board.



**BOARD OF SUPERVISORS**

Gloria Molina  
First District

Mark Ridley-Thomas  
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Don Knabe  
Fourth District

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**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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JULY 21, 2009

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

3. Approve and instruct the Director of DPH, or his designee, to execute a sole source agreement, substantially similar to Exhibit II, with the RAND Corporation (RAND) to provide training and evaluation services, effective August 1, 2009 through June 14, 2011 at a total maximum obligation of \$128,000 (\$65,102 for the period of August 1, 2009 through June 14, 2010, and \$62,898 from June 15, 2010 through June 14, 2011); 100 percent offset by RWJF grant funds.
4. Delegate Authority to the Director of DPH, or his designee, to amend the RAND Agreement to extend the term, permit the rollover of any unspent funds, and/or increase or decrease funding by no more than 25 percent of the first year's maximum obligation, subject to the review and approval of County Counsel and the Chief Executive Office and notification to your Board.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended action will allow DPH to accept funds from RWJF and enter into a sole source agreement with RAND to develop an efficient and effective QI approach that can be applied within diverse units across the DPH.

The RWJF grant provides resources to develop an efficient and effective QI approach that can be applied within diverse programs across DPH and enhance QI capacity by adapting the "PREPARE Approach to QI", which utilizes a structured four-step process that: 1) identifies and aims for improvement; 2) maps the process to be improved; 3) identifies and collects data for performance measurement; and 4) makes changes for improvement. The outcome will be a robust QI approach that can be implemented in DPH and in diverse areas of large local public health departments (LPHD) by creating a model that informs accreditation efforts and can be shared with other large LPHDs nationwide.

While current DPH efforts have focused on performance measures linked to population health outcomes for all units in the agency, a reliable approach to improving performance over time has yet to be developed. The objectives of this project are to: 1) adapt and integrate the PREPARE Approach to QI with current DPH efforts and determine whether this approach is efficient and effective; 2) evaluate the knowledge and attitudes of participating staff, senior leadership, and stakeholders; 3) evaluate the impact on performance targets and the potential influence on associated population health outcomes; and 4) disseminate the lessons learned within DPH and with other large LPHDs.

Project deliverables, which will be used to expand DPH QI activities and in large LPHDs across the U.S., include: 1) a description of the integrated approach for enhancing QI capacity in a large urban LPHD, including tools developed for the project; 2) a summary of lessons learned, including facilitators and barriers to the dissemination of QI methods; 3) a summary of how these approaches can be shared in a national QI learning collaborative for such LPHDs; and 4) presentation of results across DPH, national public health

departments, and public health research audiences such as the National Association of County and City Health Officials.

#### Implementation of Strategic Plan Goals

This action supports Goal 1, Operational Effectiveness of the County's Strategic Plan by implementing, evaluating, and disseminating a department-wide QI plan that will ultimately improve the public health service delivery and assist with resource allocation.

#### **FISCAL IMPACT/FINANCING**

The total project cost associated with this action is \$288,731, effective August 1, 2009 through June 14, 2011; comprised of \$147,822 in RWJF grant funds and \$140,909 in in-kind staff costs.

Of the \$147,822 in RWJF grant funds, \$128,000 is for the RAND agreement, comprised of \$65,102 for the period of August 1, 2009 through June 14, 2010 and \$62,898 for the period of June 15, 2010 through June 14, 2011. The remaining \$19,822 is for \$13,130 in operating cost (services and supplies, travel and training) and \$6,692 in indirect costs.

The \$140,909 in in-kind staff costs is for 10 DPH personnel; consisting of one Physician Specialist, three Epidemiologist, two Research Analyst III, one Health Educator, two Public Health Nurses, and one Secretary I. Examples of duties includes providing administrative oversight, facilitating monthly collaborative meetings, implementing quality improvement activities within DPH, preparing monthly reports, assisting with survey development, collecting and analyzing project performance data, developing project summaries and manuscripts, and presenting results at national and state-level meetings.

Funding for this project will be requested in DPH's Fiscal Years (FY) 2009-10 Supplemental Budget and will be requested in future FY's, as necessary.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On March 4, 2009, DPH applied for the RWJF grant that will enable DPH to design, implement, and evaluate a department-wide quality improvement plan.

On May 20, 2009, DPH received the LOA from the RWJF in the amount of \$147,822 for the grant period of August 1, 2009 through June 14, 2011.

With this action DPH, through services provided by RAND, will implement, evaluate, and promote widespread use of QI activities within the diverse programmatic areas in the department. Results from the evaluation of these QI activities will help launch a department-wide QI plan which can be used to improve public health service delivery and assist with resource allocation.

Honorable Board of Supervisors  
July 21, 2009  
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Attachment A is the Sole Source Checklist. Attachment B is the Grant Management Statement for awards exceeding \$100,000.

Exhibit I and Exhibit II have been approved as to form by County Counsel.

### **CONTRACTING PROCESS**

DPH will be entering into a sole source agreement with RAND. RAND developed one of the QI approaches recommended by the RWJF and is uniquely qualified to provide the training and evaluation services required by the LOA. Previous projects with RAND have allowed their public health researchers to become familiar with the structure of DPH's complex organization and the diverse population being served. RAND's familiarity with DPH will expedite the onset of the project and effectively execute the project activities.

Vendor options were limited based on the specifications and requirements outlined in the RWJF call for proposals as well the recent emphasis on adapting QI methods for use in public health departments. RAND was selected for the following reasons: 1) RAND researchers developed the PREPARE Approach to QI which was one of the QI approaches recommended by the grantor; 2) only a handful of researchers and evaluation experts across the country have experience with these recommended approaches in health departments—none of which, other than RAND, are based in the State of California; and 3) RAND's familiarity with DPH.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Board approval of the recommended action will allow DPH to launch a department-wide QI plan to improve public health service delivery and to assist with resource allocation.

Respectfully submitted,



Jonathan E. Fielding, M.D., M.P.H.  
For Director and health Officer

Attachment (4)

c: Chief Executive Officer  
Acting County Counsel  
Executive Officer, Board of Supervisor



Robert Wood Johnson Foundation

## LETTER OF AGREEMENT

Following are the terms and conditions applying to grants made by the Robert Wood Johnson Foundation (referred to as "the Foundation," "we" or "us"). As a grantee (referred to as "grantee" or "you"), you should read this carefully; your signature on this form constitutes your acceptance of all the terms and conditions. As used in this form, the term "grant" includes any income you derive from the grant.

Awardee: County of Los Angeles Department of Public Health  
 I.D.: 66198  
 Amount: \$147,822  
 Purpose: Instituting a collaborative approach to quality improvement in a large urban public health department  
 Project Information: Grant Period: August 1, 2009 through June 14, 2011  
 Project Director: Dawn M. Jacobson, M.D., M.P.H., 213-989-7243  
 (djacobson@ph.lacounty.gov)

**1. PURPOSE AND ADMINISTRATION.** You will directly administer the project or program being supported by the grant and agree that no grant funds shall be used in any way other than as specifically set forth in this Letter of Agreement and the final proposal, budget and related documents, all as approved by the Foundation (the "Approved Grant Documents") without the Foundation's prior written consent. You further agree that no grant funds shall be disbursed to any organization or entity, whether or not formed by you, except as specifically set forth in the Approved Grant Documents.

This project will evaluate a quality improvement (QI) project at the Los Angeles County Department of Public Health (LAC DPH). LAC DPH will use PREPARE and a learning collaborative approach to enhance QI capacity within diverse units across the department. If successful, this QI approach could inform public health accreditation efforts and be useful to other large local health departments (LHD) interested in performing QI. The focus of the evaluation is two pronged: (1) To determine the impact of the project's approach on staff and leadership, and; (2) To assess the impact of the project on the unit teams' select performance measures and associated population health outcomes. The LAC DPH will engage Debra Lotstein from the RAND Corporation to lead the evaluation. There are two deliverables for this project. The first is a final report detailing the results of the QI project and evaluation. Specifically the report will include: a description of the integrated approach for enhancing QI capacity in a large urban LHD, including tools developed for the project; a summary of lessons learned, including facilitators and barriers to the dissemination of QI methods, within and beyond LAC DPH; and a summary of how these approaches could be shared in a national-level QI learning collaborative for such LPHDs. The second deliverable entails presenting the results of the evaluation across LAC DPH and to national public health and public health services research audiences.

No changes may be made to the nature or scope of the program or project being supported by this grant without the express written consent of the Foundation.

**2. USE OF GRANT FUNDS.**

A. No part of the grant shall be used to carry on propaganda or otherwise attempt to influence legislation within the meaning of Section 4945(d)(1) of the Internal Revenue Code.

B. No part of the grant shall be used to attempt to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive within the meaning of Section 4945(d)(2) of the Internal Revenue Code.

C. No part of the grant shall be used to provide a grant to an individual for travel, study or similar purpose within the meaning of Section 4945(g) of the Internal Revenue Code, without prior written approval of the Foundation. Payments of salaries, other compensation or expense reimbursement to your employees within the scope of their employment do not constitute "grants" for these purposes and are not subject to these restrictions.

D. No part of the grant shall be used for other than religious, charitable, scientific, literary or educational purposes or the prevention of cruelty to children or animals within the meaning of Section 170(c)(2)(B) of the Internal Revenue Code. If any portion of the grant is used for purposes other than those described in Section 170(c)(2)(B) of the Internal Revenue Code, you shall repay to the Foundation that portion of the grant and any additional amount in excess of such portion necessary to effect a correction under Section 4945 of the Internal Revenue Code.

E. You promptly shall repay any portion of the grant which for any reason is not used exclusively for the purposes of the grant. You shall repay to the Foundation any portion of the grant which is not used exclusively for the purposes described in Section 1 hereof by the expiration of the grant period or within any approved extension within thirty (30) days. If we terminate the grant pursuant to Paragraph 11 hereof, you shall repay within thirty (30) days all grant funds unexpended as of the effective date of termination and all grant funds expended for purposes or items allocable to the period of time after the effective date of termination.

F. If you are directly or indirectly controlled by the Foundation or by one or more "disqualified persons" (within the meaning of Section 4946 of the Internal Revenue Code) with respect to the Foundation, you agree (i) to expend all of the grant prior to the close of your first annual accounting period following the taxable year in which you receive a grant payment, as qualifying distributions within the meaning of Section 4942(g)(3) and (h); and (ii) to submit to the Foundation promptly after the close of your annual accounting period a full and complete written report signed by an appropriate officer, director or trustee showing that the qualifying distribution has been made, the name and address of the recipient or recipients, the amounts received by each and that all the distributions are treated as distributions out of corpus under Section 4942(g)(3) and (h).

3. **BUDGET.** The grant budget and any revisions thereto shall comply with our Budget Preparation Guidelines, Budget Revision Guidelines and any additional instructions contained in the award letter sent by the Foundation to you (collectively the "Budget Guidelines"). Such Budget Guidelines, as they may be modified by us from time to time, are part of the terms and conditions of your grant. Expenditures of grant funds must adhere to the specific line items in your approved grant budget.

4. **ACCOUNTING AND AUDIT.** You shall indicate the grant separately on your books of account. You shall maintain a systematic accounting record of the receipt and disbursement of funds and expenditures incurred under the terms of the grant and shall retain the substantiating documents such as bills, invoices, cancelled checks and receipts in your files for at least four (4) years after expiration of the grant period. You agree promptly to furnish the Foundation with copies of such documents upon the Foundation's request and to make your books and records available for inspection by us at reasonable times.

At our expense, we may audit or have audited your grant-related books and records, and you shall provide all necessary assistance in connection therewith.

**5. REPORTS.** You shall furnish financial reports to us for each budget period of the grant and upon expiration, repayment (pursuant to Paragraph 2E) or termination of the grant (pursuant to Paragraph 11). The financial report shall show actual expenditures reported as of the date of the report against the approved line item budget. You shall furnish Annual Narrative Reports and the Final Narrative Report to us which shall include a report on the progress you made toward achieving the grant purposes and any problems or obstacles encountered in the effort to achieve the grant purposes. All such reports shall be furnished to us within thirty (30) days after the close of the period for which such reports are made. You shall retain all such reports in your files for at least four (4) years after expiration of the grant period.

At our expense, we may monitor and conduct an evaluation of operations under the grant, which may include visits by our representatives to observe your program procedures and operations and to discuss the program with your personnel.

**6. COPYRIGHT; FOUNDATION USE OF DATA; PUBLIC USE DATA SETS.** All copyright interests in materials produced as a result of this grant are owned by the grantee. You grant to the Foundation a nonexclusive, irrevocable, perpetual, royalty-free license to reproduce, publish, republish, summarize, excerpt or otherwise use and license others to use, in print or electronic form, including in electronic databases or in any future form not yet discovered or implemented, any and all such materials produced in connection with this grant.

You represent and warrant that the material produced by you under this grant will be original and not infringe upon any copyright or any other right of any other person, and has not previously been published.

If one of the deliverables described in Section 1. is a public use data set for inclusion in the Foundation's Health and Medical Care Archive, you shall, at no additional cost to us, cause public use data files to be constructed (with appropriate adjustments to assure individual privacy) in accordance with the specifications of the Inter-University Consortium for Political and Social Research, University of Michigan, including the full documentation outlined in the Consortium's current data preparation manual. Unless we otherwise specify, such public use data files shall include all data files used to conduct the analysis under the grant. You shall transmit one computer-readable copy of such public use data files and documentation to the Consortium within 12 months of the expiration of the grant period. A portion of your final payment up to 10 percent of the grant award amount may be withheld until this deliverable has been received.

**7. PUBLIC REPORTING.** The Foundation will report this grant, if made, in its next Annual Report. The Foundation will discuss potential communications activities with you related to this grant, including the issuing of press releases. Please do not issue press releases or any public announcements without consulting with the Foundation prior to these activities. In addition, we may publish reports on the project or program, briefly describing its accomplishments and results, which we may also use to respond to inquiries.

You shall send to the Foundation copies of all papers, manuscripts and other materials which you produce that are related to this grant.

In all public statements concerning the Foundation, you should refer to the Foundation by its full name: Robert Wood Johnson Foundation.

**8. GRANTEE TAX STATUS.** You represent that you are currently either (i) a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code and either (a) are not a private foundation and are not a Type III supporting organization described in Section 509(a)(3)(B)(iii); or (b) are an exempt operating foundation described in Section 4940(d)(2); or (ii) an organization described in Section 170(c)(1) or Section 511(a)(2)(B). You shall immediately give written notice to us if you cease to be exempt from

federal income taxation as an organization described in Section 501(c)(3), or your status as not a private foundation under Section 509(a) and not a Type III supporting organization under Section 509(a)(3)(B)(iii), as an exempt operating foundation described in Section 4940(d)(2) or as a Section 170(c)(1) or Section 511(a)(2)(B) organization is materially changed.

**9. CERTIFICATION REQUIRED WHEN GRANT MAY BE USED FOR RESEARCH INVOLVING HUMAN SUBJECTS.** If the grant is to be used in whole or in part for research involving human subjects, you hereby certify that you will conduct the research in compliance with the ethical standards and the criteria for approval of research set forth in United States Department of Health and Human Services policy for the protection of human research subjects (45 CFR part 46 and related policies and protocols, as amended from time to time).

**10. PRIVACY AND SECURITY OF HEALTH INFORMATION.** You represent and warrant that any individually identifiable health information used or disclosed in connection with the grant will be obtained in compliance with applicable statutes and regulations regarding the privacy and security of such information, including but not limited to the Health Information Portability and Accountability Act of 1996 ("HIPAA"), 42 U.S.C. Section 201 et seq. (42 U.S.C. Section 1320d - 1320d-8), and that in any reporting to the Foundation such data will be de-identified within the meaning of the HIPAA privacy rule or will be otherwise permissible under law.

**11. GRANT TERMINATION.** It is expressly agreed that any use by you of the grant proceeds for any purposes other than those specified in Section 170(c)(2)(B) of the Internal Revenue Code will terminate our obligation to make further payments under the grant.

At our sole option, we may terminate the grant at any time if (i) you cease to be exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code; (ii) your status as not a private foundation under Section 509(a), as not a Type III supporting organization under Section 509(a)(3)(B)(iii), or as an exempt operating foundation under Section 4940(d)(2), or as a Section 170(c)(1) or Section 511(a)(2)(B) organization is materially altered; or (iii) in our sole judgment, you become unable to carry out the purposes of the grant, cease to be an appropriate means of accomplishing the purposes of the grant or fail to comply with any of the conditions hereof.

If the grant is terminated prior to the scheduled completion date, upon our request, you shall provide us a full accounting of the receipt and disbursement of funds and expenditures incurred under the grant as of the effective date of termination.

**12. LIMITATION; CHANGES; SEVERABILITY.** You acknowledge that we have no obligation to provide other or additional support to you for purposes of this project or any other purposes. Any changes, additions or deletions to (i) the terms and conditions of the grant; or (ii) the Approved Grant Documents must be made in writing only and must be jointly approved by the Foundation and you. The invalidity in whole or in part of any term or condition of this grant shall not affect the validity of the other terms and conditions.

**13. CHANGED CIRCUMSTANCES; REGULATORY ACTION.** You shall promptly notify us in writing if there is any change in circumstances that might affect your ability to carry out the grant; you undergo a merger, division or other corporate reorganization; you become subject to a proceeding under the Bankruptcy Code or other law relating to insolvency or make an assignment for the benefit of creditors; you become subject to an investigation or proceeding brought by the Attorney General or any other regulatory agency; or you receive notice of any litigation or other legal action relating to the grant or are served with a subpoena or other legal process seeking to compel production of or obtain access to any data related to the grant.



14. **NON-TRANSFERABILITY; NO JOINT VENTURE.** This grant is not transferable. Nothing contained herein shall be construed in any manner to imply or create a relationship between the Foundation and you as partners, joint venturers or agent. You shall not act in any manner as our agent or representative.

15. **AUTHORITY; COMPLIANCE WITH APPLICABLE LAW.** You represent and warrant that you have full power and authority to enter into this agreement, and that all activities conducted hereunder shall be in full compliance with the requirements of all applicable federal, state and local laws, regulations and ordinances.

All the terms and conditions above are hereby accepted and agreed to as of the date indicated.

County of Los Angeles Department of Public Health

Date: \_\_\_\_\_

By: \_\_\_\_\_

Jonathan E. Freedman

Title: Chief Deputy Director

Date: \_\_\_\_\_

By: \_\_\_\_\_

Dawn M. Jacobson, M.D., M.P.H.

Title: Director, Performance Improvement

Contract No. \_\_\_\_\_

# QUALITY IMPROVEMENT SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009.

by and between COUNTY OF LOS ANGELES  
(hereafter "County"),  
and RAND CORPORATION  
(hereafter "Contractor").

WHEREAS, Section 101025 of the California Health and Safety Code places upon the County's Board of Supervisors ("Board") the duty to preserve and protect the public's health; and

WHEREAS, Section 101000 of the California Health and Safety Code requires the Board to appoint a County Health Officer; who is also the Director of County's Department of Public Health (hereafter "DPH or "Department"); and

WHEREAS, the term "Director" as used herein refers to the Director of County's DPH, or his authorized designee (hereafter jointly referred to as "Director"); and

WHEREAS, Contractor possesses the competence, expertise, facilities, and personnel to provide the services described hereunder; and

WHEREAS, Contractor is willing to provide the services described herein for and in consideration of the payments provided under this Agreement and under the terms and conditions hereafter set forth; and

WHEREAS, County is authorized by Government Code Section 31000 to contract for these services.

NOW, THEREFORE, the parties hereto agree as follows:

1. TERM:

The term of this Agreement shall commence effective August 1, 2009 and shall continue in full force and effect to midnight June 14, 2011.

Notwithstanding any other provision of this Paragraph, the failure of Contractor or its officers, employees, agents, or subcontractors, to comply with any of the terms of this Agreement or any written directive by or on behalf of County issued pursuant hereto shall constitute a material breach hereto, and this Agreement may be terminated immediately. County's failure to exercise this right of termination shall not constitute a waiver of such right, which may be exercised at any subsequent time.

2. DESCRIPTION OF SERVICES:

A. Contractor shall provide services in the form as described in the body of this Agreement and "Exhibit I, Scope of Work 2009-2010", and "Exhibit II, Scope of Work 2010-2011", which is attached hereto and incorporated herein by reference.

B. Contractor shall agree in providing such services to and follow all requirements as stated in "Attachment A, Letter of Agreement, Robert Wood Johnson Foundation I.D. Number 66198", which is attached hereto and incorporated herein by reference.

C. Contractor acknowledges that the quality of service(s) provided under this Agreement shall be at least equivalent to that which Contractor provides to all other clients it serves.

3. NONEXCLUSIVITY: Contractor acknowledges that it is not necessarily an exclusive or the only provider to County of the services to be provided under the terms of this Agreement, that the County has, or may enter into agreements (i.e., contracts) with other providers of said services, and that County reserves the right to itself and may perform all or part of such services, when possible, using County employees. During the term of this Agreement, Contractor agrees to provide County with the services described in the Agreement.

4. MAXIMUM OBLIGATION OF COUNTY: The maximum obligation of County for services provided under this Agreement shall be One Hundred Twenty-Eight Thousand Dollars (\$128,000). Subject to availability of funds as set forth in and "Schedule I, Budget 2009-2010" and "Schedule II, Budget 2010-2011" attached hereto and incorporated herein by reference, and only to the extent that such funds are reimbursable to County, consistent with federal, State, and/or County budget reduction.

5. FUNDING/SERVICES ADJUSTMENTS AND REALLOCATIONS:

A. If sufficient monies are appropriated from federal, State, or County funding sources, and upon Director's or his authorized designee's specific written approval, County may require additional services and pass on to Contractor an increase to the applicable County maximum obligation as payment for such services, as determined by County. If monies are reduced by federal, State, or County funding sources, County may also decrease the applicable County maximum obligation as determined by County. Such funding changes will not be retroactive, but will apply to future services following the provision of written notice from Director to Contractor. If

such increase or decrease does not exceed twenty-five percent (25%) of the applicable County maximum obligation, Director may approve such funding changes. Director shall provide prior written notice of such funding changes to Contractor and to County's Chief Executive Officer ("CEO"). If the increase or decrease exceeds twenty-five percent (25%) of the applicable County maximum obligation, approval by the County's Board of Supervisors shall be required. Any such changes in any County maximum obligation shall be effected by an amendment to this Agreement pursuant the ALTERATION OF TERMS paragraph to this Agreement.

B. County and Contractor shall review Contractor's expenditures and commitments to utilize any funds, which are specified in this Agreement for the services hereunder and which are subject to time limitations as determined by Director, midway through each County fiscal year during the term of this Agreement, midway through the applicable time limitation period for such funds if such period is less than a County fiscal year, and/or at any other time or times during each County fiscal year as determined by Director. At least fifteen (15) days prior to each such review, Contractor shall provide Director with a current update of all of Contractor's expenditures and commitments of such funds during such County fiscal year or other applicable time period.

If County determines from reviewing Contractor's records of service delivery and billings to County that a significant underutilization of funds provided under this Agreement will occur over its term, the Director or County's Board of Supervisors may reduce the applicable County maximum obligation for services provided hereunder and reallocate such funds to other providers. Director may reallocate a maximum of twenty-five percent (25%) of the applicable County maximum obligation or One Hundred

Thousand Dollars (\$100,000), whichever is greater. Director shall provide written notice of such reallocation to Contractor and to County's Chief Administrative Officer.

Reallocation of funds in excess of the aforementioned amounts shall be approved by County's Board of Supervisors. Any change in any County maximum obligation shall be effected by an amendment to this Agreement pursuant to the ALTERATION OF TERMS paragraph to this Agreement.

6. BILLING AND PAYMENT:

A. County agrees to compensate Contractor in accordance with the payment structure set forth in Schedule I, Budget and Schedule II, Budget attached hereto and incorporated herein by reference.

B. "Provision of Services" as used in this Paragraph includes time spent performing any service activities designated in the Exhibit I, Scope of Work and Exhibit II, Scope of Work and also includes time spent on preparation for such activities.

C. Original invoices shall be submitted directly to Department of Public Health, Financial Management, 5555 Ferguson Drive, Suite 100-50, Commerce, CA, 90022, no later than fifteen (15) working days after the completion of activity(ies), as determined by Director. Contractor agrees that Director shall have the right to withhold any payment due to Contractor for work performed until Director is satisfied that the activity(ies) has been completed.

D. In no event shall County be required to pay Contractor more, for all services provided hereunder, than the maximum obligation of County as set forth

ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with federal and State laws. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

Contractor shall post in conspicuous places in each of Contractor's facilities providing services hereunder, positions available and open to employees and applicants for employment, and notices setting forth the provisions of this Paragraph.

B. Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

C. Contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement, or other contract of understanding, a notice advising the labor union or workers' representative of Contractor's commitments under this Paragraph.

D. Contractor certifies and agrees that it shall deal with its subcontractor, bidders, or vendors without regard to race, color, religion, national origin, ethnic

in the MAXIMUM OBLIGATION OF COUNTY paragraph of this Agreement unless otherwise revised or amended under the terms of this Agreement.

E. Contractor Expenditures Reduction Flexibility: In order for County to maintain flexibility with regard to its budget and expenditures reductions, Contractor agrees that Director may cancel this Agreement, without cause, upon the giving of ten (10) days written notice to Contractor; or notwithstanding, Alteration of Terms, of this Agreement, Director, may, consistent with federal, State, and/or County budget reductions, renegotiate the scope/description of work, maximum obligation, and budget of this Agreement via an Administrative Amendment, as mutually agreed to and executed by the parties therein.

7. COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS: Not withstanding any other provision of this Agreement, County shall not be obligated for services performed hereunder, or by any provision of this Agreement, during any of County's future July 1 - June 30 fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall be deemed to have terminated on June 30 of the last County fiscal year for which funds were appropriated. Director shall notify Contractor in writing of such non-appropriation of funds at the earliest possible date.

8. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF AGREEMENT: Contractor shall have no claim against County for the payment of any monies or reimbursements of any kind whatsoever, for any service



provided by Contractor after the expiration or other termination of this Agreement, even if Contractor's provision of such services were requested by County directly. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/ termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

8. INDEMNIFICATION: Contractor shall indemnify, defend, and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Agreement.

9. GENERAL PROVISIONS FOR ALL INSURANCE COVERAGES:  
Without limiting Contractor's indemnification of County and in the performance of this Contract and until all of its obligations pursuant to this Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraph 10, "INSURANCE COVERAGE REQUIREMENTS", Subparagraphs "A" through "D" of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance

is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

A. Evidence of Coverage and Notice to County: A certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to the County at the address shown below and provided prior to commencing services under this Contract.

Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.

Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000) dollars, and list any County required endorsement forms.

Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, it's

insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
Department of Public Health  
Contracts and Grants Division  
313 North Figueroa Street, 6<sup>th</sup> Floor-West  
Los Angeles, California 90012-2659

Attention of: Division Chief

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor.

Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

B. Additional Insured Status and Scope of Coverage: The County of Los Angeles, its special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum

Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Provisions herein.

C. Cancellation of Insurance: Except in the case of cancellation for non-payment of premium, Contractor's insurance policies shall provide, and Certificates shall specify, that County shall receive not less than thirty (30) days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days prior notice may be given to County in event of cancellation for non-payment of premium.

D. Insurer Financial Ratings: Coverage shall be placed with insurers acceptable to the County with an A.M. Best ratings of not less than A:VII unless otherwise approved by County.

E. Failure to Maintain Insurance: Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach.

F. Contractor's Insurance Shall Be Primary: Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

G. Waivers of Subrogation: To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' right of recovery against

County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

H. Compensation for County Costs: In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

I. Sub-Contractor Insurance Coverage Requirements: Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

J. Deductibles and Self-Insured Retentions (SIRs): Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects to the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

K. Claims Made Coverage: If any part of the Required Insurance is

written on a claim made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

L. Application of Excess Liability Coverage: Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

M. Separation of Insureds: All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

N. Alternative Risk Financing Programs: The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

O. County Review and Approval of Insurance Requirements: The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

10. INSURANCE COVERAGE REQUIREMENTS:

A. Commercial General Liability insurance (providing scope of coverage equivalent to Insurance Services Office ["ISO"] policy form "CG 00

01"), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 Million
Products/Completed Operations Aggregate:	\$1 Million
Personal and Advertising Injury:	\$1 Million
Each Occurrence:	\$1 Million

B. Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form "CA 00 01") with limits of not less than \$1 Million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall include cover liability arising out of Contractor's use of autos pursuant to this Agreement, including "owned", "leased", "hired", and/or "non-owned" autos, as each may be applicable.

C. Workers' Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

D. Professional Liability/Errors and Omissions: Insurance covering Contractor's liability arising from or related to this Agreement, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

11. ASSIGNMENT AND DELEGATION:

A. Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without prior written consent of County, in its discretion, and any attempted assignment or delegation without such prior County consent shall be null and void. For purposes of this Subparagraph, County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any payments by County to any approved assignee or delegate on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such transfer, sale, exchange, assignment, or divestment is effected in such way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this



Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

C. If any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any entity other than Contractor, whether through assignment, delegation, subcontract, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

12. SUBCONTRACTING:

A. For purposes of this Agreement, all subcontracts must first be approved in writing by Director. Contractor's written request to Director for approval to enter into a subcontract shall be made at least thirty (30) calendar days prior to the subcontractor's proposed effective date, and shall include:

(1) Identification of the proposed subcontractor, (who shall be licensed as appropriate for provision of subcontract services), and an explanation of why and how the proposed subcontractor was selected, including the degree of competition involved.

(2) A detailed description of the services to be provided by the subcontract.

(3) The proposed subcontract amount and manner of compensation, if any, together with Contractor's cost or price analysis thereof.

(4) A copy of the proposed subcontract. (Any later modification of such subcontract shall take the form of a formally written subcontract amendment which also must be approved in writing by Director in the same manner as described above, before such amendment is effective.)

(5) Any other information and/or certification(s) requested by Director.

B. Director shall review Contractor's request to subcontract and shall determine, in his/her sole discretion, whether or not to consent to such a request on a case-by-case basis.

C. Subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. The making of subcontracts hereunder shall not relieve Contractor of any requirement under this Agreement, including, but not limited to, the duty to properly supervise and coordinate the work of subcontractors. Further, Director's approval of any subcontract shall also not be construed to limit in any way, any of County's rights or remedies contained in this Agreement.

D. In the event that Director consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments or other compensation to all subcontractors, and their officers, employees, and agents.

E. In the event that Director consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, or any subcontractor, or to any officers, employees, or agents, of Contractor, or any subcontractor, for any liability, damages, costs, or expenses, arising from or related to County's exercising of such a right.

F. Subcontracts shall contain the following provision: "This contract is a subcontract under the terms of a prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract." Further, Contractor shall also reflect as subcontractor requirements in the subcontract form all of the requirements of Indemnification, General Provisions for All Insurance, Insurance Coverage Requirements, Compliance with Applicable Law, Conflict of Terms, and Alteration of Terms, of the body of this Agreement, and, all of the provisions of the Additional Provisions attachment.

Contractor shall deliver to Director a fully executed copy of each subcontract entered into by Contractor, as it pertains to the provision of services under this Agreement, on or immediately after the effective date of the subcontract, but in no event, later than the date any services are to be performed under the subcontract.

G. Director is hereby authorized to act for and on the behalf of County

pursuant to this Paragraph, including but not limited to, consenting to any subcontracting.

13. COMPLIANCE WITH APPLICABLE LAW:

A. Contractor shall comply with the requirements of all federal, State, and local laws, ordinances, regulations, rules, guidelines, and directives, applicable to its performance hereunder. To the extent there is any conflict between federal and State or local laws, the former shall prevail.

Any reference to a specific statute, regulation, or any other document not prepared by County is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Agreement shall be interpreted and the parties' duties and obligations under this Agreement shall be consistent with any amendment to any applicable statute, regulation or other document not prepared by County which occurs after the effective date of the Agreement.

B. Contractor shall indemnify and hold harmless County from and against any and all loss, damage, liability, or expense resulting from any violation on the part of Contractor, its officers, employees, or agents, of such federal, State, or local laws, regulations, guidelines, or directives.

14. ADDITIONAL PROVISIONS: Attached hereto and incorporated herein by reference, is a document labeled Additional Provisions, of which the terms and conditions therein contained are part of this Agreement.

15. CONSTRUCTION: To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Agreement, they shall be deemed a part of the operative provisions of this Agreement and are fully binding upon the parties.

16. CONFLICT OF TERMS: To the extent that there exists any conflict or inconsistency between the language of this Agreement (including its Additional Provisions), and that of any Exhibit(s), Attachment(s), and any other documents incorporated herein by reference, the language found within this Agreement shall govern and prevail.

17. ALTERATION OF TERMS: The body of this Agreement (including its Additional Provisions) and any Exhibit(s), Schedule (s) and/or Attachment(s) attached hereto, fully expresses all understandings of the parties concerning all matters covered and shall constitute the total Agreement. No addition to, or alteration of, the terms of this Agreement, whether by written or verbal understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner as this Agreement.

18. CONTRACTOR'S OFFICES: Contractor's office is located at 1776 Main Street, P.O. Box 2138 Santa Monica, California 90407-2138. Contractor's business telephone number is (310) 393-0411 Extension 6517, facsimile/FAX number is (310) 451-6973, and electronic mail ("e-mail") address is Joanne\_Shelby@rand.org Contractor shall notify County, in writing, of any changes made to its business address,

business telephone number and/or facsimile/FAX number, and/or e-mail address, as listed herein, or any other business address, business telephone number and/or facsimile/FAX number, and/or e-mail address used in the provision of services herein, at least ten (10) calendar days prior to the effective date(s) thereof.

19. NOTICES: Notices hereunder shall be in writing and may either be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, attention to the parties at the addresses listed below. Director is authorized to execute all notices or demands which are required or permitted by County under this Agreement. Addresses and parties to be notified may be changed by providing at least ten (10) business days prior written notice to the other party.

A. Notices to County shall be addressed as follows:

- (1) Department of Public Health  
Contracts and Grants Division  
313 North Figueroa Street, Sixth Floor-West  
Los Angeles, California 90012-2659

Attention: Division Chief

- (2) Los Angeles County Department of Public Health  
Division of Quality Improvement-Office of the Medical Director  
241 North Figueroa Street, Suite 275  
Los Angeles, California 90012

Attention: Director

B. Notices to Contractor shall be addressed as follows:

RAND Corporation  
1776 Main Street  
P.O. Box 2138  
Santa Monica, California 90407-2138

Attention: Contract and Grants Officer

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its Director, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

\_\_\_\_\_  
RAND CORPORATION  
Contractor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Joanne B. Shelby  
Print Name

\_\_\_\_\_  
Director, Contract and Grant Services  
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL  
ROBERT E. KALUNIAN  
Acting County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Public Health

By \_\_\_\_\_  
Gary Izumi, Chief  
Contracts and Grants Division

RAND CORPORATION

ADDITIONAL PROVISIONS

QUALITY IMPROVEMENT SERVICES AGREEMENT

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RAND CORPORATION

ADDITIONAL PROVISIONS

QUALITY IMPROVEMENT SERVICES AGREEMENT

1. ADMINISTRATION: Director shall have the authority to administer this Agreement on behalf of County. Contractor agrees to extend to Director, or to authorized federal, State, County, and local governmental representatives, the right to review and monitor Contractor's programs, policies, procedures, and financial and/or other records, and to inspect its business offices, facilities, and/or County work site areas, for contractual compliance at any reasonable time.

2. FORM OF BUSINESS ORGANIZATION AND FISCAL DISCLOSURE:

A. Form of Business Organization: Contractor shall prepare and submit to Director upon request, a statement executed by Contractor's duly constituted officers or Board of Directors, containing the following information with supportive documentation:

(1) The form of Contractor's business organization, i.e., sole proprietorship, partnership, limited liability company ("LLC"), or corporation.

(2) Articles of Incorporation and By-Laws (or articles of organization, certificate of formation, certificate of registration, and operating agreement if Contractor's organization is a LLC).

(3) A detailed statement indicating whether Contractor is totally or

substantially owned by another business organization (i.e., another legal entity or parent corporation).

(4) Board Minutes, or other legal documentation, identifying who is authorized on behalf of Contractor to conduct business, make commitments, and enter into binding agreements with County. Such Board Minutes, or legal documentation, shall especially confirm that the person executing this Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation set forth in this Agreement.

(5) A detailed statement indicating whether Contractor totally or partially owns any other business organization that will be providing services supplies, materials, or equipment to Contractor or in any manner does business with Contractor under this Agreement.

(6) If, during the term of this Agreement, the form of Contractor's business organization changes, or the ownership of Contractor changes, or Contractor's authorized person to conduct business, make commitments, and enter into binding agreements with County changes; or Contractor's ownership of other businesses dealings with Contractor under this Agreement changes, Contractor shall notify Director in writing detailing such changes within thirty (30) calendar days prior to the effective date thereof.

B. Fiscal Disclosure: Contractor shall prepare and submit to Director,

within ten (10) calendar days following execution of this Agreement, a statement executed by Contractor's duly constituted officers or Board of Directors, containing the following information:

(1) A detailed statement listing all sources of funding to Contractor, including but not limited to, private contributions, if any. The statement shall include the nature of the funding, services to be provided, total dollar amount, and period of time of such funding.

(2) If, during the term of this Agreement, the source(s) of Contractor's funding changes, Contractor shall promptly notify the Director in writing detailing such changes within thirty (30) calendar days prior to the effective date thereof.

3. NONDISCRIMINATION IN SERVICES: Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, or condition of physical or mental handicap, or in any manner on the basis of a client's sexual orientation in accordance with requirements of federal and State laws. For the purpose of this Paragraph, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of a facility; providing any service or benefit to any person which is not equivalent, or is provided in a non-equivalent manner or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment

of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation.

In addition, Contractor's facility access for the handicapped must fully comply with section 504 of the federal Rehabilitation Act of 1973 and Title III of the federal Americans with Disabilities Act of 1990.

4. NONDISCRIMINATION IN EMPLOYMENT:

A. Contractor certifies and agrees, pursuant to the federal Rehabilitation Act of 1973, the federal Americans with Disabilities Act of 1990, and all other federal and State laws, as they now exist or may hereafter be amended, that it, its affiliates, subsidiaries, or holding companies, will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation.

Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to race, color, religion, national origin, ethnic group identification,

group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

E. Contractor shall allow federal, State, and County representatives, duly authorized by Director, access to its employment records during regular business hours in order to verify compliance with the anti-discrimination provisions of this Paragraph. Contractor shall provide such other information and records as such representatives may require in order to verify compliance with the anti-discrimination provisions of this Paragraph.

F. If County finds that any of the provisions of this Paragraph have been violated, the same shall constitute a material breach of Agreement upon which County may determine to cancel, terminate, or suspend, this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the federal Equal Employment Opportunity Commission that Contractor has violated federal or State anti-discrimination laws shall constitute a finding by County that Contractor has violated the anti-discrimination provision of this Agreement.

G. The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Agreement, County shall be entitled, at its option, to the sum of Five Hundred Dollars (\$500) pursuant to California Civil Code section 1671 as liquidated damages in lieu of canceling, terminating, or

suspending this Agreement.

5. FAIR LABOR STANDARDS ACT: Contractor shall comply with all applicable provisions of the federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees, and agents from any and all liability including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law including, but not limited to, the federal Fair Labor Standards Act for services performed by Contractor's employees for which County may be found jointly or solely liable.

6. EMPLOYMENT ELIGIBILITY VERIFICATION: Contractor warrants that it fully complies with all federal statutes and regulations regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by federal statutes and regulations, as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for all covered employees for the period prescribed by law. Contractor shall indemnify, defend and hold harmless County, its officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

7. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY



FUNDED PROGRAM: Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director in writing, within thirty (30) calendar days, of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a federally funded health care program; and (2) any exclusionary action taken by any agency of the federal government against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any federal exclusion of Contractor or its staff members from such participation in a federally funded health care program.

Failure by Contractor to meet the requirements of this Paragraph shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement.

8. STAFF PERFORMANCE OF SERVICES WHILE UNDER THE INFLUENCE: Contractor shall ensure that no employee or other person under Contractor's control, performs services hereunder while under the influence of any alcoholic beverage, medication, narcotic, or other substance that might impair his/her physical or mental performance.

9. UNLAWFUL SOLICITATION: Contractor shall inform all of its officers and

employees performing services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with section 6150) of Business and Professions Code of the State of California (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of said provisions by its officers and employees. Contractor agrees to utilize the attorney referral service of all those bar associations within Los Angeles County that have such a service.

10. RECORDS AND AUDITS:

A. Service Records: Contractor shall maintain, and provide upon request by County, accurate and complete records of its activities and operations as they relate to the provision of services, hereunder.

B. Financial Records: Contractor shall prepare and maintain on a current basis, complete financial records in accordance with generally accepted accounting principles and also in accordance with any additional accounting principles and procedures, and standards, which may from time to time be promulgated by Director. All such records shall be sufficient to substantiate all charges billed to County in the performance of this Agreement. Further, all financial records of Contractor pertaining to this Agreement, including accurate books and records of accounts of its costs and operating expenses, and all records of services (including personnel provided), as well as other financial records pertaining to this Agreement, shall be retained by Contractor for a minimum period of five (5) years following the expiration or prior termination of

this Agreement. During such five (5) year period, as well as during the term of this Agreement, all records pertaining to this Agreement, or true and correct copies thereof, including but not limited to, those records described above, shall either: (1) be retained by Contractor, accessible for review by County representatives at a location in Los Angeles County, or (2) if retained by Contractor at a location outside of Los Angeles County, moved from such a location, to a location within Los Angeles County for review, upon Director's request, and made available during County's normal business hours, within ten (10) calendar days, to representatives of County, or federal and State governments, for purposes of inspection and audit. In the event such records are located outside Los Angeles County and Contractor is unable to move such records to Los Angeles County, then Contractor shall permit such inspection or audit to take place at an agreed to outside location, and Contractor shall pay County for travel, per diem, and other costs related to such inspection and audit.

Contractor shall further agree to provide such records, when possible, immediately to County by facsimile/FAX, or through the Internet (i.e., electronic mail ["e-mail"]), upon Director's request. Director's request shall include appropriate County facsimile/FAX number(s) and/or e-mail address(es) for Contractor to provide such records to County. In any event, Contractor shall agree to make available the original documents of such FAX and e-mail records when requested by Director for review as described hereinabove.

C. Federal Access to Records: If, and to the extent that, section 1861

(v)(1)(I) of the Social Security Act [42 United States Code ("U.S.C.") section 1395x (v)(1)(I)] is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Agreement, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Controller General of the United States, or to any of their duly authorized representatives, this Agreement, books, documents, and records of Contractor which are necessary to verify the nature and extent of the cost of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontract shall provide for such access to the sub-contract, books, documents and records of the subcontractor.

D. County To Be Provided Audit Report(s): In the event that an audit is conducted of Contractor specifically regarding this Agreement by any federal or State auditor, or any auditor or accountant employed by Contractor or otherwise, Contractor shall file a copy of each such audit report with Director and County's Auditor-Controller within thirty (30) calendar days of Contractor's receipt thereof, unless otherwise provided under this Agreement, or under applicable federal or State regulations. To the extent permitted by law, County shall maintain the confidentiality of such audit report(s). Failure of Contractor to comply with these

terms shall constitute a material breach of this Agreement upon which County may cancel, terminate, or suspend this Agreement.

E. Audit/Compliance Review: In the event County representatives conduct an audit/compliance review of Contractor, Contractor shall fully cooperate with County's representatives. Contractor shall allow County representatives access to all records of services rendered and all financial records and reports pertaining to this Agreement and shall allow photocopies to be made of these documents utilizing Contractor's photocopier, for which County shall reimburse Contractor its customary charge for record copying services, if requested. Director shall provide Contractor with at least ten (10) working days prior written notice of any audit/compliance review, unless otherwise waived by Contractor.

County may conduct a statistical sample audit/compliance review of all claims paid by County during a specified period. The sample shall be determined in accordance with generally accepted auditing standards. An exit conference shall be held following the performance of such audit/ compliance review at which time the results shall be discussed with Contractor. Contractor shall be provided with a copy of any written evaluation reports.

Contractor shall have the opportunity to review County's findings on Contractor, and Contractor shall have thirty (30) calendar days after receipt of County's audit/ compliance review results to provide documentation to County representatives to resolve the audit exceptions. If, at the end of the thirty (30)

calendar day period, there remains audit exceptions which have not been resolved to the satisfaction of County's representatives, then the exception rate found in the audit, or sample, shall be applied to the total County payment made to Contractor for all claims paid during the audit/compliance review period to determine Contractor's liability to County.

F. County Audit Settlements: If, at any time during the term of this Agreement or at any time within five (5) years after the expiration or earlier termination of this Agreement, authorized representatives of County conduct an audit of Contractor regarding the services provided to County hereunder and if such audit finds that County's dollar liability for such services is less than payments made by County to Contractor, then Contractor agrees that the difference shall be either: (1) repaid forthwith by Contractor to County by cash payment, or (2) at Director's option, deducted from any further amount due Contractor from County. If such audit finds that County's dollar liability for services provided hereunder is more than payments made by County to Contractor, then the difference shall be paid forthwith to Contractor by County by cash payment.

G. Independent Audit: Contractor's financial records shall be audited by an independent auditor for every year that this Agreement is in effect, unless such requirement is waived in writing by County. An initial audit shall be conducted following the end of County's current fiscal year and at scheduled

intervals thereafter as agreed to by the parties hereto, but not less frequently than every two (2) years.

The audit shall satisfy the requirements of the Office of Budget and Management ("OMB") Circular Number A-133. Such audit shall be performed by an independent auditor in accordance with recognized auditing standards (e.g., United States General Accounting Office Publication, Standards for Audit of Governmental Organizations, Programs, Activities and Functions), and any other applicable Federal, State, or County statutes, policies or guidelines. Contractor shall file such audit report(s) with the County's Department of Public Health – Financial Services Division within the earlier of thirty (30) calendar days of Contractor's receipt of the report(s) or nine months after the end of the audit period. Failure of Contractor to comply with these terms shall constitute a material breach of contract upon which County may cancel, terminate, or suspend this Agreement.

The independent auditor's work papers shall be retained at least three (3) years following the completion of the audit, unless the auditor is notified in writing by County to extend the retention period. Audit work papers shall be made available for review by federal, State or County representatives upon request.

11. REPORTS: Contractor shall make reports as required by County, concerning Contractor's activities and operations as they relate to this Agreement and

the provision of services hereunder. In no event, however may County, require such reports unless Director has provided Contractor with at least thirty (30) calendar days' prior written notification thereof. Director's notification shall provide Contractor with a written explanation of the procedures for reporting the information required.

12. CONFIDENTIALITY: To the extent that Contractor may gain access hereunder to County patient records and information, Contractor shall maintain the confidentiality of such records and information from third parties, including but not limited to, billings and County records, in accordance with all applicable federal, State, and local laws, ordinances, rules, regulations, and directives relating to confidentiality. Contractor shall inform all its officers, employees, agents, subcontractors, and others providing services hereunder of this confidentiality provision requirement. Contractor shall indemnify and hold harmless County, its officers, employees, agents, and subcontractors, from and against any and all loss, damage, liability, and expense arising out of any disclosure of patient records and information by Contractor, its officers, employees, agents, subcontractors, and others providing services hereunder.

13. CONTRACTOR'S OBLIGATION AS A BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996: Under this Agreement, Contractor ("Business Associate") provides services ("Services") to County ("Covered Entity") and Business Associate receives, has access to or creates Protected Health Information and/or Electronic Protected Health Information in order to provide those services.

Covered Entity is subject to the Administrative Simplification requirements of the



Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information ("Privacy Regulations") and the Health Insurance Reform: Security Standards (the "Security Regulations") at 45 Code of Federal Regulations Parts 160 and 164 ("together, the "Privacy and Security Regulations").

The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

Therefore, the parties agree as follows:

A. DEFINITIONS

(1) "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.

(2) "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. § 160.103. Electronic media means (a) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (b) Transmission media used to exchange information already in electronic

storage media. Transmission media includes, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission. The term "Electronic Media" draws no distinction between internal and external data, at rest (that is, in storage) as well as during transmission.

(3) "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health Information means protected health information that is (a) transmitted by electronic media; (b) maintained in electronic media.

(4) "Individual" means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

(5) "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Business Associate from or on behalf of

Covered Entity. Protected Health Information includes information that (a) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (b) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (c) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Health Information.

(6) "Required by Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.

(7) "Security Incident" means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.

(8) "Services" has the same meaning as in the body of this Agreement.

(9) "Use" or "Uses" mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination, or analysis of such Information within Business Associate's internal operations.

(10) Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Regulations.

## B. OBLIGATIONS OF BUSINESS ASSOCIATE

(1) Permitted Uses and Disclosures of Protected Health Information: Business Associate:

a. Shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in this Paragraph

13, Subparagraphs(s) B.(3), B.(4), B.(5), B.(6), B.(7), B.(8), D.(3), and

E.(2) of this Agreement.

b. Shall Disclose Protected Health Information to Covered Entity upon request;

c. May, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:

i. Use Protected Health Information; and

ii. Disclose Protected Health Information if the

Disclosure is Required by Law.

Business Associate shall not Use or Disclose Protected Health Information for any other purpose.

(2) Adequate Safeguards for Protected Health Information:

Business Associate:

a. Shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Paragraph. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation's minimum necessary standard.

b. Effective as of April 20, 2005, specifically as to Electronic Health Information, shall implement and maintain

administrative, physical, and technical safeguards that reasonably and

appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information.

(3) Reporting Non-Permitted Use or Disclosure and Security

Incidents: Business Associate shall report to Covered Entity each Use or Disclosure that is made by Business Associate, its employees, representatives, agents or subcontractors but is not specifically permitted by this Agreement, as well as, effective as of April 20, 2005, each Security Incident of which Business Associate becomes aware. The initial report shall be made by telephone call to the Departmental Privacy Officer, telephone number 1(800) 711-5366 within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident to the Chief Privacy Officer at:

Chief Privacy Officer  
Kenneth Hahn Hall of Administration  
500 West Temple street, Suite 525  
Los Angeles, California 90012

(4) Mitigation of Harmful Effect: Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Paragraph.

(5) Availability of Internal Practices, Books and Records to Government Agencies: Business Associate agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

(6) Access to Protected Health Information: Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.

(7) Amendment of Protected Health Information: Business Associate shall, to the extent Covered Entity determines that any Protected

Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.

(8) Accounting of Disclosures: Upon Covered Entity's request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its, employees, agents, representatives or subcontractors. However, Business Associate is not required to provide an accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.

Any accounting provided by Business Associate under this Subparagraph B.(8) shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Subparagraph B.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business



Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Subparagraph B.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

C. OBLIGATION OF COVERED ENTITY: Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

D. TERM AND TERMINATION:

(1) Term: The term of this Paragraph shall be the same as the term of this Agreement. Business Associate's obligations under Subparagraphs B.(1) (as modified by Section D.(2)), B.(3), B.(4), B.(5), B.(6), B.(7), B.(8), D.(3), and E.(2) shall survive the termination or expiration of this Agreement.

(2) Termination for Cause: In addition to and notwithstanding the termination provisions set forth in this Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

- a. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if

Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

b. Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or

c. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

(3) Disposition of Protected Health Information Upon Termination or Expiration:

a. Except as provided in Subparagraph (b) of this section, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

b. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible,

Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

E. MISCELLANEOUS:

(1) No Third Party Beneficiaries: Nothing in this Paragraph shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

(2) Use of Subcontractors and Agents: Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Paragraph.

(3) Relationship to Services Agreement Provisions: In the event that a provision of this Paragraph is contrary to another provision of this Agreement, the provision of this Paragraph shall control. Otherwise, this Paragraph shall be construed under, and in accordance with, the terms of this Agreement.

(4) Regulatory References: A reference in this Paragraph to a

section in the Privacy or Security Regulations means the section as in effect or as amended.

(5) Interpretation: Any ambiguity in this Paragraph shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.

(6) Amendment. The parties agree to take such action as is necessary to amend this Paragraph from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations.

14. COMPLIANCE WITH JURY SERVICE PROGRAM:

A. Jury Services Program: This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy:

(1) Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "contractor" as defined under the Jury Services Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Services Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury

service served. Contractor's policy may further provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.

(2) For purpose of this Paragraph, and as set forth in the Jury Service Program provision of the County Code as described hereinabove: "Contractor" shall mean a person, partnership, corporation, or other entity, that has a contract with County, or a subcontract with a County contractor, and has received, or will receive, an aggregate sum of Fifty Thousand Dollars (\$50,000) or more in any twelve (12) month period under one (1) or more County contracts or subcontracts; "employee" shall mean any California resident who is a full-time employee of Contractor; and "full-time" shall mean forty (40) hours or more worked per week, or a lesser number of hours, if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time.

Full-time employees providing short-term temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract

agreement and a copy of the Jury Service Program shall be attached to the agreement.

(3) If Contractor is not required to comply with the Jury Service Program on the effective date of this Agreement, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Services Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "contractor", or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program.

County may also require, at any time during the Agreement term, and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program.

(4) Contractor's violation of this Paragraph of the Agreement may constitute a material breach of this Agreement. In the event of such breach, County may, in its sole discretion, terminate this Agreement and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

15. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND

CERTIFICATES: Contractor shall obtain and maintain in effect during the term of this Agreement, all appropriate licenses, permits, registrations, accreditations, and certificates required by all applicable federal, State, and local laws, regulations, guidelines and directives, for the operation of its business and for the provisions of services hereunder. Contractor shall ensure that all of its officers, employees, and agents who perform services hereunder, obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates required by federal, State, and local laws, regulations, guidelines and directives, which are applicable to their performance hereunder. Upon Director's written request Contractor shall provide Director with a copy of each license, permit, registration, accreditation, and certificate, as required by all applicable federal, State, and local laws, regulations, guidelines and directives, within ten (10) calendar days thereafter.

16. INDEPENDENT CONTRACTOR STATUS:

A. This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of employee, agent, servant, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, employees or agents of the other party for any purpose whatsoever.

B. Contractor shall be solely liable and responsible for providing to, or on behalf of, its officers and employees all legally required employee benefits. County shall have no liability or responsibility for the payment of any salaries,

wages, unemployment benefits, disability benefits, federal, State, and local taxes, or other compensation, benefits, or taxes to, or on behalf of, any personnel provided by Contractor.

C. Contractor understands and agrees that all persons furnishing services to County pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. Contractor shall bear the sole liability and responsibility for furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed by or on behalf of Contractor pursuant to this Agreement.

17. REQUIREMENT TO NOTIFY EMPLOYEES ABOUT FEDERAL EARNED INCOME CREDIT ("EIC"): Contractor shall notify its employees, and shall require that each of its subcontractors notify its employees, to inform them that they may be eligible for claiming federal EIC as allowed under the federal income tax laws. Such notification shall be provided in accordance with the requirements as set forth in the Department of Treasury Internal Revenue Service's ("IRS") Notice 1015; copies of which are available from the IRS Forms Distribution Center, by calling 1-(800)-829-3676.

18. COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

A. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County contracts are in compliance with their



court ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the federal Social Security Act (42 U.S.C. section 653a) and California Unemployment Insurance Code section 1088.55, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department ("CSSD") Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure section 706.031 and Family Code section 5246(b).

B. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

Failure of Contractor to maintain compliance with the requirements set forth in the CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Paragraph immediately above, shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this contract pursuant

to the Termination for Default Paragraph of this Agreement and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

19. SAFELY SURRENDERED BABY LAW: In accordance with County's goal to encourage the safe surrender of an unwanted newborn(s) (i.e., a baby[ies] seventy-two [72] hours old or less) by a mother or person with lawful custody to a designated safe haven site (e.g., all hospitals with emergency rooms, County fire stations, County medical centers, etc.) without fear of litigation and to further ensure that no newborn baby is ever abandoned in Los Angeles County; Contractor shall agree to notify and provide to all of its officers, employees, and agents, information on the Safely Surrendered Baby Law (also known as the Newborn Abandonment Law or Safe Haven Law) and its implementation within Los Angeles County. Contractor shall request and obtain from Director information and notices for notifying its officers, employees, and agents, on County's implementation of the Safely Surrendered Baby Law, as it now exist or may hereafter be amended, from time-to-time, but no less than on an annual basis.

A. NOTICE TO EMPLOYEES REGARDING THE SAFETY

SURRENDERED BABY LAW: Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safety Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth and is available on the Internet at: [www.babysafela.org](http://www.babysafela.org) for printing purposes.

B. CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S

COMMITMENT TO THE SAFETY SURRENDERED BABY LAW: Contractor acknowledges that County places a high priority on the implementation of the Safety Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County Contractors to voluntarily post the County's "Safety Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. County's Department of Children and Family Services will supply the Contractor with the poster to be used.

20. CONSIDERATION OF COUNTY'S DEPARTMENT OF PUBLIC SOCIAL SERVICES ("DPSS") GREATER AVENUES FOR INDEPENDENCE ("GAIN") PROGRAM OR GENERAL RELIEF OPPORTUNITY FOR WORK ("GROW") PARTICIPANTS FOR EMPLOYMENT: Should Contractor require additional or replacement personnel after the effective date of this Agreement, Contractor shall give consideration for any such employment openings to participants in the County's DPSS GAIN or GROW program(s), who meet Contractor's minimum qualifications for the open position. If Contractor decides to pursue consideration of GAIN/GROW participants for hiring, Contractor shall provide information regarding job openings and job requirements to DPSS GAIN/GROW staff at: [GAIN/GROW@dpss.lacounty.gov](mailto:GAIN/GROW@dpss.lacounty.gov). For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to the Contractor. In the event that both

laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

21. COUNTY EMPLOYEE'S RIGHT OF FIRST REFUSAL AND CONTRACTOR'S OFFERS OF EMPLOYMENT: To the degree permitted by Contractor's agreements with its collective bargaining units, Contractor shall give the right of first refusal for its employment openings at Contractor's facility to qualified County employees who are laid-off or who leave County employment in lieu of reduction under County's Civil Service Rule 19, and who are referred to Contractor by Director (including those on a County re-employment list). Such offers of employment shall be limited to vacancies in Contractor's staff needed to commence services under this Agreement, as well as, to vacancies that occur during the Agreement term. Such offers of employment shall be consistent with Contractor's current employment policies, and shall be made to any former or current County employee who has made application to Contractor, and is qualified for the available position. Employment offers shall be at least under the same conditions and rates of compensations which apply to other persons who are employed or may be employed by Contractor. Former County employees who have been impacted by County's Civil Service Rule 19, and who are employed by Contractor shall not be discharged during the term of the Agreement except for cause, subject to Contractor's personnel policies and procedures, and agreement(s) with its collective bargaining units. Contractor shall also give first consideration to laid-off or reduced County employees if vacancies occur at Contractor's other service sites during the Agreement term.

22. NO INTENT TO CREATE A THIRD PARTY BENEFICIARY CONTRACT:

Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person shall acquire any rights as a third party beneficiary under this Agreement.

23. SERVICE DELIVERY SITE - MAINTENANCE STANDARDS: Contractor shall assure that the location(s) (e.g., facility[ies]) where Contractor provides services under this Agreement, is/are operated at all times in accordance with all County and local community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies) shall include a review of compliance with the provisions of this Paragraph.

24. DAMAGE TO COUNTY BUILDINGS, FACILITIES, OR GROUNDS:

Contractor shall repair, or cause to be repaired, at its own cost, any damage to County buildings, facilities, or grounds, caused by Contractor or any officer, employee, or agent of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event, later than thirty (30) calendar days after the occurrence.

If Contractor fails to make timely repairs, County may make any necessary repairs on its own. All costs incurred by County for such repairs, as determined by Director, shall be repaid by Contractor upon demand.

25. USE OF RECYCLED - CONTENT PAPER: Consistent with County's Board of Supervisors policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content bond paper and paper products to the maximum extent possible in connection with services to be performed by Contractor under this Agreement.

26. NOTICE OF DELAYS: Except as otherwise provided under this Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall within two (2) calendar days, give notice thereof, including all relevant information with respect thereto, to the other party.

27. RESTRICTIONS ON LOBBYING:

A. Federal Certification and Disclosure Requirement: If any federal monies are to be used to pay for Contractor's services under this Agreement, Contractor shall comply with all certification and disclosure requirements prescribed by section 319, Public Law 101-121 (31 U.S.C. section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully comply with all such certification and disclosure requirements.

B. County Lobbyists: Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code section 2.160.010, retained by Contractor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any

County lobbyist or County lobbying firm retained by Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Agreement upon which Director may suspend or County may immediately terminate this Agreement.

28. CONFLICT OF INTEREST:

A. No County officer or employee whose position in County enables such officer or employee to influence the award or administration of this Agreement or any competing agreement, and no spouse or economic dependent of such officer or employee shall be employed in any capacity by Contractor herein, or have any other direct or indirect financial interest in this Agreement. No officer, employee, agent, or subcontractor of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in County's approval process for the award of this Agreement or any competing agreement, or ongoing evaluation of such services, under this Agreement or any competing agreement, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

B. Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to Director. Full written

disclosure shall include, without limitation, identification of all persons involved, or implicated, and a complete description of all relevant circumstances.

29. COUNTY'S QUALITY ASSURANCE PLAN: County or its agent(s), will be allowed to evaluate Contractor's performance (including the performance of any party providing services on behalf of Contractor) under this Agreement as may be required from time-to-time for quality assurance purposes, but not less than on an annual basis. Such an evaluation will include, but not be limited to, assessing Contractor's compliance with all Agreement terms and performance standards. Any Contractor deficiencies or actions which are found to be in non-compliance with such terms and performance standards which Director determines are severe, or continuing, and that may place the performance of this Agreement in jeopardy if not corrected, will be immediately reported to County's Board of Supervisors by Director. The report will include a description of the quality improvement and/or corrective action measures to be taken by County and Contractor. If Contractor's performance does not improve after the initiation of such quality improvement and/or corrective actions, then County may impose other penalties as may be specified in this Agreement, or may terminate this Agreement immediately.

30. TERMINATION FOR INSOLVENCY, DEFAULT, GRATUITIES, AND/OR IMPROPER CONSIDERATIONS, AND CONVENIENCE:

A. Termination for Insolvency: County may terminate this Agreement immediately for default in the event of the occurrence of any of the following:

(1) Insolvency of Contractor. Contractor shall be deemed to be



insolvent if it has ceased to pay its debts at least sixty (60) calendar days in the ordinary course of business or cannot pay its debts as they become due, whether Contractor has committed an act of bankruptcy or not, and whether Contractor is insolvent within the meaning of the federal Bankruptcy Law or not;

(2) The filing of a voluntary or involuntary petition under the federal Bankruptcy Law;

(3) The appointment of a Receiver or Trustee for Contractor;

(4) The execution by Contractor of an assignment for the benefit of creditors.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

B. Termination For Default: County may, by written notice of default to Contractor, terminate this Agreement immediately in any one of the following circumstances:

(1) If, as determined in the sole judgment of County, Contractor fails to perform any services within the times specified in this Agreement or any extension thereof as County may authorize in writing; or

(2) If, as determined in the sole judgment of County, Contractor fails to perform and/or comply with any of the other provisions of this Agreement, or so fails to make progress as to endanger performance of this

Agreement in accordance with its terms, and in either of these two (2) circumstances, does not cure such failure within a period of five (5) calendar days (or such longer period as County may authorize in Writing) after receipt of notice from County specifying such failure.

In the event that County terminates this Agreement as provided hereinabove, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County for such similar services.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

C. Termination For Gratuities and/or Improper Consideration: County may, by written notice to Contractor, immediately terminate Contractor's right to proceed under this Agreement, if it is found that gratuities or consideration in any form, were offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent, with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment, or extension of the Agreement, or making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could in the event of default by

Contractor.

Contractor shall immediately report any attempt by a County officer, employee, or agent, to solicit such improper gratuity or consideration. The report shall be made either to the County manager charged with the supervision of the employee or agent, or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

(Among other items, such improper gratuities and considerations may take the form of cash, discounts, services, the provision of travel or entertainment, or other tangible gifts.)

D. Termination For Convenience: The performance of services under this Agreement may be terminated, with or without cause, in whole or in part, from time to time when such action is deemed by County to be in its best interest. Termination of services hereunder shall be effected by delivery to Contractor of a ten (10) calendar day advance Notice of Termination specifying the extent to which performance of services under this Agreement is terminated and the date upon which such termination becomes effective.

After receipt of a Notice of Termination and except as otherwise directed by County, Contractor shall:

- (1) Stop services under this Agreement on the date and to the extent specified in such Notice of Termination; and
- (2) Complete performance of such part of the services as shall not have been terminated by such Notice of Termination.

Further, after receipt of a Notice of Termination, Contractor shall submit to County, in the form and with the certifications as may be prescribed by County, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than sixty (60) calendar days from the effective date of termination. Upon failure of Contractor to submit its termination claim and invoice within the time allowed, County may determine on the basis of information available to County, the amount, if any, due to Contractor in respect to the termination, and such determination shall be final. After such determination is made, County shall pay Contractor the amount so determined.

Contractor for a period of five (5) years after final settlement under this Agreement, in accordance with Paragraph 10, Records and Audits, herein, retain and make available all its books, documents, records, or other evidence, bearing on the costs and expenses of Contractor under this Agreement in respect to the termination of services hereunder.

31. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that the Contractor is not

responsible, the County may, in addition to other remedies provided in the contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time which generally will not exceed five (5) years, but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with County.

C. County may debar a Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated any term of this Agreement or other contract with County or a nonprofit corporation created by County; (2) committed an act or omission which negatively reflects on Contractor's quality, fitness, or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

D. If there is evidence that Contractor may be subject to debarment, the Director will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before County's Contractor Hearing Board.

E. County's Contractor Hearing Board will conduct a hearing where, evidence on the proposed debarment is presented. Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at

that hearing. After the hearing, County's Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and Director shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the County's Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of County's Contractor Hearing Board shall be presented to County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of County's Contractor Hearing Board.

G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interest of County.

H. County's Contractor Hearing Board will consider a request for review of a debarment determination only where (1) Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, County's Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, County's Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by County's Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

County's Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. County's Contractor Hearing Board shall present its proposed decision and recommendation to County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation or County's Contractor Hearing Board.

I. These terms shall also apply to subcontractors of County contractors.

## 32. CERTIFICATION REGARDING DEBARMENT, SUSPENSION,

INELIGIBILITY, AND VOLUNTARY EXCLUSION - LOWER TIER COVERED  
TRANSACTIONS (45 C.F.R. PART 76):

Contractor hereby acknowledges that County is prohibited from contracting with and making sub-award to parties that are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Agreement, Contractor certifies that neither it nor any of its owners, officers, partners, directors, or principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contractors. Further, by executing this Agreement, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director, or other principal of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Contractor shall immediately notify County in writing, during the term of this agreement, should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Agreement upon which County may immediately terminate or suspend this Agreement.

33. SOLICITATION OF BIDS OR PROPOSALS: Contractor acknowledges that County, prior to expiration or earlier termination of this Agreement, may exercise its right to invite bids (e.g., Invitation for Bids ["IFB"]), request proposals (e.g., Request for Proposals ["RFP"]), or do other similar competitive selection procedures, in order to select providers for the continued provision of the services delivered or contemplated under this Agreement. County and/or DPH shall make the determination to solicit bids



or proposals in accordance with applicable County and DPH policies.

Contractor acknowledges that County may enter into a contract for the future provision of services, based upon the bids or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected through any future bids, proposals, or other competitive selection procedure, by virtue of its present status as Contractor.

34. GOVERNING LAW, JURISDICTION, AND VENUE: This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that the venue of any action (other than an appeal or an enforcement of a judgement) brought by Contractor, on Contractor's behalf, or on the behalf of any subcontractor, which arises from this Agreement or is concerning or connected with services performed pursuant to this Agreement, shall be exclusively in the courts of the State of California located in Los Angeles County, California.

35. CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE: The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the certification in Exhibit B, the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or

raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceeding or both. (County Code Chapter 2.202.)

36. WAIVER: No waiver of any breach of any provision of this Agreement by County shall constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or from time-to-time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

37. SEVERABILITY: If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

#01118 RAND  
AR: June 19, 2009

# SCHEDULE I

## THE ROBERT WOOD JOHNSON FOUNDATION

(RAND Corporation Subcontract)  
(Jeanne Ringel – PI, Proposal 2009-0678)  
Grant Period: 8/1/09 - 6/14/11  
Budget Period: 8/1/09 – 6/14/10

PROJECT YEAR 1 2 3 4 Consolidated (please designate)

### I. PERSONNEL:

Position	Base Salary	FTEs	Total	RWJF Support	Non-RWJF Support
Project Director/Principal Investigator	\$153,457	0.017307	2,656	2,656	0
Project Staff (List subcategories for <i>this</i> project, if needed)	150,027	0.146154	21,927	21,927	0
Administrative Staff (List subcategories for <i>this</i> project, if needed)	48,750	0.015385	750	750	0
Other Staff (List subcategories for <i>this</i> project, if needed)			25,751	25,751	0
<b>Total Salary</b>			51,084	51,084	0
Fringe Benefits (47.5%) excludes other staff			1,618	1,618	0
<b>Total Salary and Fringe Benefits</b>			52,702	52,702	0

### II. OTHER DIRECT COSTS:

Office Operations	2,350	2,350	0
Communications/Marketing	0	0	0
Travel	1,360	1,360	0
Meeting Expenses	0	0	0
Surveys	0	0	0
Equipment	0	0	0
Project Space	0	0	0
Other (Please specify) Lotstein Fringe	1,715	1,715	0
<b>Total Other Direct Costs</b>	5,425	5,425	0
<b>TOTAL DIRECT COSTS</b>	58,127	58,127	0

### III. INDIRECT COSTS @12% on Total Direct Costs

Costs	6,975	6,975	0
<b>GRAND TOTAL</b>	\$ 65,102	\$ 65,102	\$ -

Note: Indirect Costs is based on the RWJF approved rate 12%

**Summary of Costs** - These cost estimates are based on an analysis of the work to be undertaken and the cost experience of similar RAND projects. Personnel costs include all required items. Actual costs will be accumulated in accordance with RAND's audited accounting procedures. For financial reporting purposes, costs will be reported in the format budgeted, and personnel will be reported in aggregate.

## SCHEDULE II

### THE ROBERT WOOD JOHNSON FOUNDATION

(RAND Corporation Subcontract)

(Jeanne Ringel – PI, Proposal 2009-0678)

Grant Period: 8/1/09 - 6/14/11

Budget Period: 6/15/10 – 6/14/11

PROJECT YEAR 1 2 3 4 Consolidated (please designate)

#### I. PERSONNEL:

Position	Base Salary	FTEs	Total	RWJF Support	Non-RWJF Support
Project Director/Principal Investigator	\$159,727	0.011538	1,843	1,843	0
Project Staff (List subcategories for <i>this</i> project, if needed)	156,155	0.142308	22,222	22,222	0
Administrative Staff (List subcategories for <i>this</i> project, if needed)	50,765	0.015385	781	781	0
Other Staff (List subcategories for <i>this</i> project, if needed)			24,822	24,822	0
<b>Total Salary</b>			49,668	49,668	0
Fringe Benefits (47.5%) excludes other staff			1,246	1,246	0
<b>Total Salary and Fringe Benefits</b>			50,914	50,914	0

#### II. OTHER DIRECT COSTS

Office Operations	2,147	2,147	0
Communications/Marketing	0	0	0
Travel	1,360	1,360	0
Meeting Expenses	0	0	0
Surveys	0	0	0
Equipment	0	0	0
Project Space	0	0	0
Other (Please specify) Lotstein Fringe	1,738	1,738	0
<b>Total Other Direct Costs</b>	5,245	5,245	0
<b>TOTAL DIRECT COSTS</b>	56,159	56,159	0

#### III. INDIRECT COSTS @12% on Total Direct

Costs	6,739	6,739	0
<b>GRAND TOTAL</b>	<b>\$ 62,898</b>	<b>\$ 62,898</b>	<b>\$ -</b>

Note: Indirect Costs is based on the RWJF approved rate 12%

Summary of Costs - These cost estimates are based on an analysis of the work to be undertaken and the cost experience of similar RAND projects. Personnel costs include all required items. Actual costs will be accumulated in accordance with RAND's audited accounting procedures. For financial reporting purposes, costs will be reported in the format budgeted, and personnel will be reported in aggregate.

**EXHIBIT I**  
**SCOPE OF WORK**  
**FISCAL YEAR 09-10**

Goal: To enhance quality improvement capacity in the LA County Department of Public Health by integrating and applying an evidence-based approach across the department

**Note: All materials listed under implementation activities and documentation must be kept on file and available for random sampling and auditing by DPH.**

MEASURABLE OBJECTIVE(S)	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATING OBJECTIVE(S) AND DOCUMENTATION
<p>1.1 By June 14, 2011, Contractor will have successfully integrated quality improvement approaches and tools within 8 LAC DPH programmatic units through training, technical assistance, and creating a toolkit for department-wide use</p> <p>"Successfully integrated" is defined as understanding the key principles of the quality improvements approach and how to apply them in daily operations (see Implementation Activities 1.1a and Methods of Evaluating Objectives 1.1c)</p>	<p>1.1a Develop and deliver a Quality Improvement Collaborative Kick-off Workshop that provides an overview of the project timeline, training on how to apply the 4 steps of the PREPARE methods, and set the aims for the selected LAC DPH quality improvement projects. This will be done in collaboration with the LAC DPH project director.</p>	09/15/09	1.1a Agendas, training materials, and summaries will be kept on file.
	<p>1.1b Work with LAC DPH project teams to adapt quality improvement tools, create process maps, and determine data sources, collection methods, and reporting formats needed throughout the project.</p>	9/15/09-10/15/09	1.1b Documents will be kept on file and summary of events will be submitted with monthly team reports.
	<p>1.1c Collect and review baseline performance data and provide technical assistance with the interpretation and application of quality improvement tools to improve overall service delivery and program performance. This will be done in collaboration with the LAC DPH project director.</p>	10/15/09-11/15/09	1.1c Quarterly data analysis and completed monthly team reports will be kept on file
	<p>1.1d Develop and deliver a Quality Improvement Workshop that provides continuing education on the PREPARE methods, gives project teams a venue to share lessons learned, and identifies and implements process improvements, as needed</p>	12/31/09	1.1d Agendas, training materials, and summaries will be kept on file.
	<p>1.1e Review and analyze quarterly performance data and provide technical assistance with the interpretation and application of quality improvement tools to improve overall service delivery and program performance. This will be done in collaboration with the LAC DPH project director.</p>	01/31/10	1.1e Quarterly data analysis and completed monthly team reports will be kept on file
	<p>1.1f Review and analyze quarterly performance data and provide technical assistance with the interpretation and application of quality improvement tools to improve overall service delivery and program performance. This will be done in collaboration with the LAC DPH project director.</p>	4/30/10	1.1f Quarterly data analysis and completed monthly team reports will be kept on file

**EXHIBIT I**  
**SCOPE OF WORK**  
**FISCAL YEAR 09-10**

Goal: To enhance quality improvement capacity in the LA County Department of Public Health by integrating and applying an evidence-based approach across the department

**Note: All materials listed under implementation activities and documentation must be kept on file and available for random sampling and auditing by DPH.**

MEASURABLE OBJECTIVE(S)	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATING OBJECTIVE(S) AND DOCUMENTATION
2.1 June 14, 2011, Contractor will have completed an assessment of the barriers and facilitators of implementing a department-wide quality improvement plan within LAC DPH.	2.1a Develop a key informant interview guide and department survey to assess staff knowledge, attitudes, and practices with quality improvement methods. Submit to DPH for approval.	08/01/09-08/31/09	2.1a DPH letters of approval and materials will be on file.
	2.1b Conduct and complete baseline survey and key informant interviews	09/01/09-09/30/09	2.1b Completed materials will be kept on file and documentation of survey completion and results will be made available upon DPH request.
	2.1c Conduct and complete midcourse survey and key informant interviews	04/01/10-04/30/10	2.1c Completed materials will be kept on file and documentation of survey completion and results will be made available upon DPH request.

Contractor: **RAND CORPORATION**

Contract #:

**EXHIBIT II  
SCOPE OF WORK  
FISCAL YEAR 10-11**

Goal: To enhance quality improvement capacity in the LA County Department of Public Health by integrating and applying an evidence-based approach across the department

**Note: All materials listed under implementation activities and documentation must be kept on file and available for random sampling and auditing by DPH.**

MEASURABLE OBJECTIVE(S)	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATING OBJECTIVE(S) AND DOCUMENTATION
<p>1.1 By June 14, 2011, Contractor will have successfully integrated quality improvement approaches and tools within 8 LAC DPH programmatic units through training, technical assistance, and creating a toolkit for department-wide use</p> <p>"Successfully integrated" is defined as understanding the key principles of the quality improvement approach and how to apply them in daily operations (see Implementation Activities 1.1a and Methods of Evaluating Objectives 1.1c)</p>	<p>1.1a Develop and deliver a Quality Improvement Workshop that reviews ongoing quality improvement projects, summarizes lessons learned throughout the project, and discusses feasibility of department-wide use of the PREPARE methods. This will be done in collaboration with the LAC DPH project director.</p>	07/15/10	1.1a Agendas, training materials, and summaries will be kept on file.
	<p>1.1b Review and analyze quarterly performance data and provide technical assistance with the interpretation and application of quality improvement tools to improve overall service delivery and program performance. This will be done in collaboration with the LAC DPH project director.</p>	07/31/10	1.1b Quarterly data analysis and completed monthly team reports will be kept on file
	<p>1.1c Review and analyze quarterly performance data, review overall performance data trends, and compare with changes in population-level health outcomes. This will be done in collaboration with the LAC DPH project director.</p>	10/30/10-12/31/10	1.1c Quarterly data analysis, overall data trends, and final team reports will be kept on file
	<p>1.1d Write a final summary of lessons learned and describe the integrated approach for enhancing quality improvement across all LAC DPH programmatic units. This will be done in collaboration with the LAC DPH Project Director.</p>	01/01/11-06/14/11	1.1d Completed report will be kept on file and used across LAC DPH as well as shared in a report suitable for publication in a peer-reviewed journal and with other counties in the State of CA
	<p>1.1e Prepare a user friendly toolkit that describes the overall approach, the tools developed, and the successful practices resulting from this project</p>	01/01/11-06/14/11	1.1e Completed toolkit will be kept on file and used across LAC DPH as well as shared with other counties in the State of CA

Contractor: RAND CORPORATION

Contract #: \_\_\_\_\_

**EXHIBIT II**  
**SCOPE OF WORK**  
**FISCAL YEAR 10-11**

Goal: To enhance quality improvement capacity in the LA County Department of Public Health by integrating and applying an evidence-based approach across the department

**Note: All materials listed under implementation activities and documentation must be kept on file and available for random sampling and auditing by DPH.**

MEASURABLE OBJECTIVE(S)	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATING OBJECTIVE(S) AND DOCUMENTATION
2.1 June 14, 2011, Contractor will have completed an assessment of the barriers and facilitators of implementing a department-wide quality improvement plan within LAC DPH.	2.1a Conduct final department survey and interviews to assess staff knowledge, attitudes, and practices with quality improvement methods.	09/01/10-09/30/10	2.1a Completed materials will be kept on file and documentation of survey completion will be made available upon DPH request.
	2.1b Analyze results from all 3 surveys and sets of interviews to determine how knowledge, attitudes, and practices with quality improvement methods changed over the course of the project	10/01/10-12/31/10	2.1b Completed materials will be kept on file and documentation of survey results will be made available upon DPH request.
	2.1c Write a final summary of lessons learned and describe the key facilitators and barriers to integrating quality improvement principles and approaches into daily operations. Changes in knowledge and attitudes over the course of the project will also be included.	01/01/11-06/14/11	2.1c Completed report will be kept on file and shared in a report suitable for publication in a peer reviewed journal and with other counties in the State of CA





Robert Wood Johnson Foundation

**LETTER OF AGREEMENT**

Following are the terms and conditions applying to grants made by the Robert Wood Johnson Foundation (referred to as "the Foundation," "we" or "us"). As a grantee (referred to as "grantee" or "you"), you should read this carefully; your signature on this form constitutes your acceptance of all the terms and conditions. As used in this form, the term "grant" includes any income you derive from the grant.

Awardee: County of Los Angeles Department of Public Health  
I.D.: 66198  
Amount: \$147,822  
Purpose: Instituting a collaborative approach to quality improvement in a large urban public health department  
Project Information: Grant Period: August 1, 2009 through June 14, 2011  
Project Director: Dawn M. Jacobson, M.D., M.P.H., 213-989-7243  
(djacobson@ph.lacounty.gov)

**1. PURPOSE AND ADMINISTRATION.** You will directly administer the project or program being supported by the grant and agree that no grant funds shall be used in any way other than as specifically set forth in this Letter of Agreement and the final proposal, budget and related documents, all as approved by the Foundation (the "Approved Grant Documents") without the Foundation's prior written consent. You further agree that no grant funds shall be disbursed to any organization or entity, whether or not formed by you, except as specifically set forth in the Approved Grant Documents.

This project will evaluate a quality improvement (QI) project at the Los Angeles County Department of Public Health (LAC DPH). LAC DPH will use PREPARE and a learning collaborative approach to enhance QI capacity within diverse units across the department. If successful, this QI approach could inform public health accreditation efforts and be useful to other large local health departments (LHD) interested in performing QI. The focus of the evaluation will be two pronged: 1) To determine the impact of the project's approach on staff and leadership, and; 2) To assess the impact of the project on the unit teams' select performance measures and associated population health outcomes. The LAC DPH will engage Debra Lotstein and Nicole Lurie from the RAND Corporation to lead the evaluation. One deliverable for this project include a final report detailing the results of the QI project and evaluation. Specifically the report will include: a description of the integrated approach for enhancing QI capacity in a large urban LHD, including tools developed for the project; a summary of lessons learned, including facilitators and barriers to the dissemination of QI methods, within and beyond LAC DPH; a summary of how these approaches could be shared in a national-level QI learning collaborative for such LPHDs. The second deliverable will be a presentation of results across LAC DPH and to national public health and public health services research audiences.

No changes may be made to the nature or scope of the program or project being supported by this grant without the express written consent of the Foundation.

**2. USE OF GRANT FUNDS.**

A. No part of the grant shall be used to carry on propaganda or otherwise attempt to influence legislation within the meaning of Section 4945(d)(1) of the Internal Revenue Code.

B. No part of the grant shall be used to attempt to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive within the meaning of Section 4945(d)(2) of the Internal Revenue Code.

C. No part of the grant shall be used to provide a grant to an individual for travel, study or similar purpose within the meaning of Section 4945(g) of the Internal Revenue Code, without prior written approval of the Foundation. Payments of salaries, other compensation or expense reimbursement to your employees within the scope of their employment do not constitute "grants" for these purposes and are not subject to these restrictions.

D. No part of the grant shall be used for other than religious, charitable, scientific, literary or educational purposes or the prevention of cruelty to children or animals within the meaning of Section 170(c)(2)(B) of the Internal Revenue Code. If any portion of the grant is used for purposes other than those described in Section 170(c)(2)(B) of the Internal Revenue Code, you shall repay to the Foundation that portion of the grant and any additional amount in excess of such portion necessary to effect a correction under Section 4945 of the Internal Revenue Code.

E. You promptly shall repay any portion of the grant which for any reason is not used exclusively for the purposes of the grant. You shall repay to the Foundation any portion of the grant which is not used exclusively for the purposes described in Section 1 hereof by the expiration of the grant period or within any approved extension within thirty (30) days. If we terminate the grant pursuant to Paragraph 11 hereof, you shall repay within thirty (30) days all grant funds unexpended as of the effective date of termination and all grant funds expended for purposes or items allocable to the period of time after the effective date of termination.

F. If you are directly or indirectly controlled by the Foundation or by one or more "disqualified persons" (within the meaning of Section 4946 of the Internal Revenue Code) with respect to the Foundation, you agree (i) to expend all of the grant prior to the close of your first annual accounting period following the taxable year in which you receive a grant payment, as qualifying distributions within the meaning of Section 4942(g)(3) and (h); and (ii) to submit to the Foundation promptly after the close of your annual accounting period a full and complete written report signed by an appropriate officer, director or trustee showing that the qualifying distribution has been made, the name and address of the recipient or recipients, the amounts received by each and that all the distributions are treated as distributions out of corpus under Section 4942(g)(3) and (h).

3. **BUDGET.** The grant budget and any revisions thereto shall comply with our Budget Preparation Guidelines, Budget Revision Guidelines and any additional instructions contained in the award letter sent by the Foundation to you (collectively the "Budget Guidelines"). Such Budget Guidelines, as they may be modified by us from time to time, are part of the terms and conditions of your grant. Expenditures of grant funds must adhere to the specific line items in your approved grant budget.

4. **ACCOUNTING AND AUDIT.** You shall indicate the grant separately on your books of account. You shall maintain a systematic accounting record of the receipt and disbursement of funds and expenditures incurred under the terms of the grant and shall retain the substantiating documents such as bills, invoices, cancelled checks and receipts in your files for at least four (4) years after expiration of the grant period. You agree promptly to furnish the Foundation with copies of such documents upon the Foundation's request and to make your books and records available for inspection by us at reasonable times.

At our expense, we may audit or have audited your grant-related books and records, and you shall provide all necessary assistance in connection therewith.

5. **REPORTS.** You shall furnish financial reports to us for each budget period of the grant and upon expiration, repayment (pursuant to Paragraph 2E) or termination of the grant (pursuant to Paragraph 11). The financial report shall show actual expenditures reported as of the date of the report against the approved line item budget. You shall furnish Annual Narrative Reports and the Final Narrative Report to us which shall include a report on the progress you made toward achieving the grant purposes and any problems or obstacles encountered in the effort to achieve the grant purposes. All such reports shall be furnished to us within thirty (30) days after the close of the period for which such reports are made. You shall retain all such reports in your files for at least four (4) years after expiration of the grant period.

At our expense, we may monitor and conduct an evaluation of operations under the grant, which may include visits by our representatives to observe your program procedures and operations and to discuss the program with your personnel.

6. **COPYRIGHT; FOUNDATION USE OF DATA; PUBLIC USE DATA SETS.** All copyright interests in materials produced as a result of this grant are owned by the grantee. You grant to the Foundation a nonexclusive, irrevocable, perpetual, royalty-free license to reproduce, publish, republish, summarize, excerpt or otherwise use and license others to use, in print or electronic form, including in electronic databases or in any future form not yet discovered or implemented, any and all such materials produced in connection with this grant.

You represent and warrant that the material produced by you under this grant will be original and not infringe upon any copyright or any other right of any other person, and has not previously been published.

If one of the deliverables described in Section 1. is a public use data set for inclusion in the Foundation's Health and Medical Care Archive, you shall, at no additional cost to us, cause public use data files to be constructed (with appropriate adjustments to assure individual privacy) in accordance with the specifications of the Inter-University Consortium for Political and Social Research, University of Michigan, including the full documentation outlined in the Consortium's current data preparation manual. Unless we otherwise specify, such public use data files shall include all data files used to conduct the analysis under the grant. You shall transmit one computer-readable copy of such public use data files and documentation to the Consortium within 12 months of the expiration of the grant period. A portion of your final payment up to 10 percent of the grant award amount may be withheld until this deliverable has been received.

7. **PUBLIC REPORTING.** The Foundation will report this grant, if made, in its next Annual Report. The Foundation will discuss potential communications activities with you related to this grant, including the issuing of press releases. Please do not issue press releases or any public announcements without consulting with the Foundation prior to these activities. In addition, we may publish reports on the project or program, briefly describing its accomplishments and results, which we may also use to respond to inquiries.

You shall send to the Foundation copies of all papers, manuscripts and other materials which you produce that are related to this grant.

In all public statements concerning the Foundation, you should refer to the Foundation by its full name: Robert Wood Johnson Foundation.

8. **GRANTEE TAX STATUS.** You represent that you are currently either (i) a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code and either (a) are not a private foundation and are not a Type III supporting organization described in Section 509(a)(3)(B)(iii); or (b) are an exempt operating foundation described in Section 4940(d)(2); or (ii) an organization described in Section 170(c)(1) or Section 511(a)(2)(B). You shall immediately give written notice to us if you cease to be exempt from

federal income taxation as an organization described in Section 501(c)(3), or your status as not a private foundation under Section 509(a) and not a Type III supporting organization under Section 509(a)(3)(B)(iii), as an exempt operating foundation described in Section 4940(d)(2) or as a Section 170(c)(1) or Section 511(a)(2)(B) organization is materially changed.

**9. CERTIFICATION REQUIRED WHEN GRANT MAY BE USED FOR RESEARCH INVOLVING HUMAN SUBJECTS.** If the grant is to be used in whole or in part for research involving human subjects, you hereby certify that you will conduct the research in compliance with the ethical standards and the criteria for approval of research set forth in United States Department of Health and Human Services policy for the protection of human research subjects (45 CFR part 46 and related policies and protocols, as amended from time to time).

**10. PRIVACY AND SECURITY OF HEALTH INFORMATION.** You represent and warrant that any individually identifiable health information used or disclosed in connection with the grant will be obtained in compliance with applicable statutes and regulations regarding the privacy and security of such information, including but not limited to the Health Information Portability and Accountability Act of 1996 ("HIPAA"), 42 U.S.C. Section 201 et seq. (42 U.S.C. Section 1320d - 1320d-8), and that in any reporting to the Foundation such data will be de-identified within the meaning of the HIPAA privacy rule or will be otherwise permissible under law.

**11. GRANT TERMINATION.** It is expressly agreed that any use by you of the grant proceeds for any purposes other than those specified in Section 170(c)(2)(B) of the Internal Revenue Code will terminate our obligation to make further payments under the grant.

At our sole option, we may terminate the grant at any time if (i) you cease to be exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code; (ii) your status as not a private foundation under Section 509(a), as not a Type III supporting organization under Section 509(a)(3)(B)(iii), or as an exempt operating foundation under Section 4940(d)(2), or as a Section 170(c)(1) or Section 511(a)(2)(B) organization is materially altered; or (iii) in our sole judgment, you become unable to carry out the purposes of the grant, cease to be an appropriate means of accomplishing the purposes of the grant or fail to comply with any of the conditions hereof.

If the grant is terminated prior to the scheduled completion date, upon our request, you shall provide us a full accounting of the receipt and disbursement of funds and expenditures incurred under the grant as of the effective date of termination.

**12. LIMITATION; CHANGES; SEVERABILITY.** You acknowledge that we have no obligation to provide other or additional support to you for purposes of this project or any other purposes. Any changes, additions or deletions to (i) the terms and conditions of the grant; or (ii) the Approved Grant Documents must be made in writing only and must be jointly approved by the Foundation and you. The invalidity in whole or in part of any term or condition of this grant shall not affect the validity of the other terms and conditions.

**13. CHANGED CIRCUMSTANCES; REGULATORY ACTION.** You shall promptly notify us in writing if there is any change in circumstances that might affect your ability to carry out the grant; you undergo a merger, division or other corporate reorganization; you become subject to a proceeding under the Bankruptcy Code or other law relating to insolvency or make an assignment for the benefit of creditors; you become subject to an investigation or proceeding brought by the Attorney General or any other regulatory agency; or you receive notice of any litigation or other legal action relating to the grant or are served with a subpoena or other legal process seeking to compel production of or obtain access to any data related to the grant.

14. **NON-TRANSFERABILITY; NO JOINT VENTURE.** This grant is not transferable. Nothing contained herein shall be construed in any manner to imply or create a relationship between the Foundation and you as partners, joint venturers or agent. You shall not act in any manner as our agent or representative.

15. **AUTHORITY; COMPLIANCE WITH APPLICABLE LAW.** You represent and warrant that you have full power and authority to enter into this agreement, and that all activities conducted hereunder shall be in full compliance with the requirements of all applicable federal, state and local laws, regulations and ordinances.

All the terms and conditions above are hereby accepted and agreed to as of the date indicated.

County of Los Angeles Department of Public Health

Date: \_\_\_\_\_

By: \_\_\_\_\_

Jonathan E. Freedman

Title: Chief Deputy Director

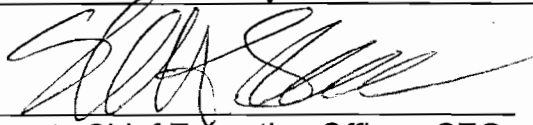
Date: \_\_\_\_\_

By: \_\_\_\_\_

Dawn M. Jacobson, M.D., M.P.H.

Title: Director, Performance Improvement

## SOLE SOURCE CHECKLIST

Check (✓)	<p align="center"><b>JUSTIFICATION FOR SOLE SOURCE PROCUREMENT OF SERVICES</b></p> <p><i>Identify applicable justification and provide documentation for each checked item.</i></p>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation)
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is most cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is the best interest of the County (e.g., administrative cost savings, too long a learning curve for a new service provider, etc.).
✓	➤ Other reason. Please explain: RAND was selected for the following reasons: 1) RAND researchers developed the PREPARE Approach to QI which was one of the QI approaches recommended by the grantor; 2) only a handful of researchers and evaluation experts across the country have experience with these recommended approaches in health departments—none of which, other than RAND, are based in the State of California; and 3) RAND's familiarity with DPH.
	<div style="display: flex; justify-content: space-between;"> <div data-bbox="386 1629 941 1780">   Deputy Chief Executive Officer, CEO </div> <div data-bbox="1052 1629 1347 1780"> 7/5/09  Date </div> </div>

**Los Angeles County Chief Administrative Office  
Grant Management Statement for Grants Exceeding \$100,000**

**Department:** Public Health - Division of Quality Improvement-Office of the Medical Director

**Grant Project Title:** A INSTITUTING A COLLABORATIVE APPROACH TO QUALITY IMPROVEMENT IN LARGE URBAN PUBLIC HEALTH DEPARTMENTS

**Description:** The quality improvement project will implement, evaluate, and promote widespread use of quality improvement QI activities throughout the diverse programmatic areas in the Department of Public Health. Results from the evaluation of these QI activities will help launch a department-wide QI plan which can be used to improve public health service delivery

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
Robert Wood Johnson Foundation	Agreement Number 66198	

Total Amount of Grant Funding:	\$ 147,822	County Match Requirements: \$	-0-
Grant Period:	08/1/09 – 06/14/11	Begin Date:	08/1/09
		End Date:	06/14/11
Number of Personnel Hired Under this Grant:		Full Time	0
		Part Time	0

**Obligations Imposed on the County When the Grant Expires**

Will all personnel hired for this program be informed this is a grant funded program?	Yes	X	No	
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	X	No	
Is the County obligated to continue this program after the grant expires	Yes		No	X
If the County is not obligated to continue this program after the grant expires, the Department will:				
a). Absorb the program cost without reducing other services	Yes		No	X
b). Identify other revenue sources	Yes		No	X
(Describe)				
c). Eliminate or reduce, as appropriate, positions/program costs funded by this grant.	Yes	X	No	

Impact of additional personnel on existing space: None

Other requirements not mentioned above Not Applicable

Department Head Signature



Date

7-8-09